

COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLAND

BILL NO. 92-14Introduced by Council President Wilson at the request of the County ExecutiveLegislative Day No. 92-5Date: February 11, 1992

AN ORDINANCE to authorize and empower Harford County, Maryland to borrow, upon its full faith and credit, and to issue and sell its bonds or other form of indebtedness therefor, in the aggregate principal amount not to exceed SEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$7,500,000), to be designated as "Harford County General Obligation Refunding Bonds, Series 1992" (the "Refunding Bonds"), the proceeds thereof to be used for the purpose of refunding: (a) such amounts of the County's \$5,250,000 Harford County Hospital Bonds of 1980 (the "Hospital Bonds", and such Hospital Bonds to be refunded, the "Outstanding Hospital Bonds") and (b) such amounts of the County's \$9,810,000 Harford County General Obligation Bonds of 1982 (the "1982 Bonds", and such 1982 Bonds to be refunded, the "Outstanding 1982 Bonds"), and (c) such amounts of such other of the

By the Council, February 11, 1992

Introduced, read first time, ordered posted and public hearing scheduled

on: March 10, 1992at: 6:15 PMBy Order: Doris Poulsen, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on March 10, 1992, and concluded on March 10, 1992.

Doris Poulsen, Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

COUNTY COUNCIL

OF

HARFORD COUNTY, MARYLAND

BILL NO. 92-14Introduced by Council President Wilson at the request of the County Executive

Legislative Day No. 92-__

Date: February __, 1992

of Harford County to adopt an administrative resolution that shall provide for additional details incident thereto, including, but not limited to, specifying other outstanding issues of the County's Bonds in addition to the Outstanding Hospital Bonds and the Outstanding 1982 Bonds to be redeemed with the proceeds of the Refunding Bonds as the County Council of Harford County may determine to be in the best interests of the County, amendments to the form of the Refunding Bonds as approved by this Ordinance, the form of various documents as are necessary to implement the financing authorized herein, the manner of issuance and delivery of the Refunding Bonds, and the payment of all necessary expenses in connection therewith, the rate or rates of interest to be paid, maturity schedule, redemption provisions and generally for such other matters as may be deemed appropriate by the County Council of Harford County in connection therewith; providing for the disbursement of the proceeds of the sale of the Refunding Bonds and for the levying of taxes and for the payment of the principal or accreted

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLAND

BILL NO. 92-14

Introduced by Council President Wilson at the request of the County Executive

Legislative Day No. 92-__

Date: February __, 1992

amount of, and interest on, the Refunding Bonds as they shall mature; providing for the private (negotiated) sale of the Refunding Bonds following a solicitation of offers for the purchase of the Refunding Bonds; providing that, upon written request of the County Executive and by administrative resolution of the County Council of Harford County, the County may elect to offer the Refunding Bonds for purchase at public sale after competitive bid or, to the extent practical, pursuant to the procurement law of the County, Chapter 41 of the Harford County Code, if such public sale is determined by the County Council of Harford County to be in the best interests of the County; providing that the Refunding Bonds shall be issued upon the full faith and credit of Harford County, Maryland; and generally providing for and determining various matters in connection with the issuance, sale and delivery of the Refunding Bonds.

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

COUNTY COUNCIL
OF
HARFORD COUNTY, MARYLAND

BILL NO. 92- 14Introduced by Council President Wilson at the request of the County Executive

Legislative Day No. 92-__

Date: February __, 1992

County's bonds as may be provided by a Resolution of the County Council of Harford County, all in accordance with Article 25A of the Annotated Code of Maryland, as amended, the Charter of Harford County, Section 123-40 of the Code of Harford County, and Section 24 of Article 31 of the Annotated Code of Maryland, as amended, or as otherwise permitted by law; providing that the proceeds of the Refunding Bonds shall be used to make payment upon all such bonds refunded including for each such issue, without limitation, the payment of any redemption premium, any interest accrued or to accrue to the date of redemption of all such bonds refunded and the costs of issuing the Refunding Bonds; prescribing certain details incident to the issuance and sale of such Refunding Bonds and authorizing the County Council

By the Council, _____

Introduced, read first time, ordered posted and public hearing scheduled

on: _____

at: _____

By Order: _____, Secretary

PUBLIC HEARING

Having been posted and notice of time and place of hearing and title of Bill having been published according to the Charter, a public hearing was held on _____, and concluded on _____.

_____, Secretary

EXPLANATION:

CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [BRACKETS] indicate matter deleted from existing law. Underlining indicates language added to Bill by amendment. Language lined through indicates matter stricken out of Bill by amendment.

RECITALS

WHEREAS, Harford County, Maryland (the "County") has heretofore issued its \$5,250,000 Harford County Hospital Bonds of 1980 (the "Hospital Bonds", and such Hospital Bonds as remain outstanding, the "Outstanding Hospital Bonds") all as described in Exhibit A hereto and its \$9,810,000 Harford County General Obligation Bonds of 1982 described in Exhibit B hereto (the "1982 Bonds", and such 1982 Bonds as remain outstanding, the "Outstanding 1982 Bonds", collectively, with the Outstanding Hospital Bonds and together with such other bonds of the County that may be refunded by virtue of the authority of this Ordinance as specifically provided in a Resolution of the County Council of Harford County adopted subsequent to the passage of this Ordinance, the "Outstanding Bonds") which exhibits are incorporated herein by reference and made a part hereof; and

WHEREAS, the public purposes for which the proceeds of the Hospital Bonds and of the 1982 Bonds were authorized to be spent, the amounts (or maximum amounts) authorized to be spent for each such public purpose, and the probable average useful life of the projects financed with the proceeds of each such series of bonds are specified in (or incorporated by reference into) the Bond Issue Authorization Ordinance for each such series specified in Exhibits A and B attached hereto (each, a "Bond Ordinance"). All terms defined in Exhibits A and B hereto shall have the meanings given such terms therein; and

WHEREAS, Section 24 of Article 31 of the Annotated Code of Maryland, as amended (the "Refunding Act"), provides that a county which has power under any public general or public local law to borrow money and to evidence the borrowing by the issuance of its general obligation bonds, revenue bonds or other evidences of obligation by whatever name known or source of funds secured, may issue bonds for the purpose of refunding any of its bonds then outstanding, including the payment of

1 any redemption premium and any interest accrued or to accrue to the date of
2 redemption, purchase or maturity of the bonds or other obligations; and

3 WHEREAS, the County is authorized to borrow money and to evidence the
4 borrowing by the issuance of its general obligation bonds by Section 5(P) of Article
5 25A of the Annotated Code of Maryland, as amended ("Article 25A"), Section 524
6 of the Harford County Charter (the "Charter") and Section 123-40 of the Code of
7 Harford County (the "Code"); and

8 WHEREAS, refunding bonds may be issued under the authority of the Refunding
9 Act for the public purpose of:

10 (a) Realizing savings to the issuer in the aggregate cost of debt service
11 on either a direct comparison or present value basis; or

12 (b) Debt restructuring that:

13 (i) in the aggregate effects such a reduction in the cost of debt
14 service; or

15 (ii) is determined by the governing body to be in the best
16 interests of the issuer, to be consistent with the issuer's long-term financial plan, and
17 to realize a financial objective of the issuer including improving the relationship of debt
18 service to a source of payment such as taxes, assessments, or other charges; and

19 WHEREAS, the Refunding Act further provides that the power to issue
20 refunding bonds shall be deemed additional and supplemental to the issuer's existing
21 borrowing power, and the procedures for the issuance of refunding bonds shall be the
22 same as those applicable to the bonds or other obligations being refunded, except that
23 refunding bonds may be sold on a negotiated basis without solicitation of bids if the
24 issuer determines in a public meeting that such procedure is in the public interest; and

1 WHEREAS, based on the findings set forth hereinabove, the County Council of
2 Harford County has determined that it is in the best interest of the County to issue its
3 general obligation refunding bonds; and

4 WHEREAS, the County Council of Harford County has determined that its
5 refunding bonds shall be issued in the aggregate principal amount not to exceed Seven
6 Million Five Hundred Thousand Dollars (\$7,500,000) for the purpose of refunding the
7 Outstanding Bonds in whole or in part as set forth in this Ordinance and pursuant to
8 an administrative resolution or resolutions (the "Resolution") to be adopted by the
9 County Council of Harford County upon written recommendation of the County
10 Executive pursuant to this Ordinance; and

11 WHEREAS, the County's refunding bonds shall pay the redemption premium (if
12 any), the interest accrued or to accrue to the date of redemption of the Outstanding
13 Bonds and the costs of issuance of the County's refunding bonds; and

14 WHEREAS, based on the findings hereinabove, the County Council of Harford
15 County has determined that it may be in the best interests of the County to issue
16 portions of its refunding bonds as "capital appreciation bonds", the interest on which
17 shall accrue and be compounded periodically but shall not be payable until the date
18 on which the principal of such bonds is payable at their maturity; and the County
19 Council of Harford County has further determined that any such capital appreciation
20 bonds, if issued, shall be upon the written recommendation of the County Executive
21 and by administrative resolution, and such bonds would not be subject to redemption
22 prior to maturity; and

23 WHEREAS, the Refunding Act further provides that, for the purpose of
24 determining whether refunding bonds issued thereunder are within any debt limitation
25 applicable to an issuer, the amount of the Outstanding Bonds shall be subtracted
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1 from, and the amount of such refunding bonds to be issued shall be added to, the
2 aggregate of such issuer's outstanding bonds; and

3 WHEREAS, the County Council of Harford County is hereby authorized to enact
4 an Ordinance adopted in accordance with Section 524 of the Charter and other
5 applicable provisions of law providing for (or setting forth the manner of determining)
6 the issuance and sale, the designation, form, tenor, denomination, maturity or
7 maturities, and the rate or rates of interest payable upon the County's refunding
8 bonds or other form of indebtedness issued under this Ordinance; and to levy annually
9 *ad valorem* taxes upon the assessable property within the County sufficient, together
10 with other taxes and other available funds to provide for the payment of the interest
11 on and principal or accreted amount of the County's refunding bonds issued under this
12 Ordinance; and

13 WHEREAS, the proposed refunding bonds and any other form of indebtedness
14 issued hereunder is within the legal limitations on the indebtedness of the County; and

15 WHEREAS, the final aggregate principal amount of the County's refunding
16 bonds together with certain details of the refunding bonds, including, but not limited
17 to, form of the refunding bonds, the form of various documents as are necessary to
18 implement the financing authorized by this Ordinance, maturity schedule, interest rate
19 or rates, redemption provisions, date of sale, manner of sale (if different from private
20 (negotiated) sale), and purchaser, and appointment of escrow deposit agent as
21 necessary for the Refunding Bonds, shall be determined pursuant to the provisions of
22 the Resolution adopted by the County Council of Harford County upon the written
23 recommendation of the County Executive pursuant to this Ordinance; and

24 WHEREAS, the Resolution adopted by the County Council of Harford County
25 pursuant to this Ordinance may specify issues of County bonds, in addition to the
26 bonds described in Exhibits A and B attached hereto which, by virtue of the authority
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1 set forth in this Ordinance and in the Resolution, may be refunded with the proceeds
2 from the sale of the Refunding Bonds as the County Council of Harford County may
3 determine to be in the best interests of the County.

4 NOW, THEREFORE, in accordance with the provisions of the Charter, the Code
5 and the laws of the State of Maryland:

6 SECTION 1. Be it enacted by the County Council of Harford County, Maryland,
7 that all terms defined in the foregoing recitals and in Exhibits A and B hereto shall
8 have the meanings given such terms therein.

9 SECTION 2. Be it further enacted by the County Council of Harford County,
10 Maryland, that it is hereby found and determined as follows:

11 (a) (i) The County has heretofore issued the Hospital Bonds in the
12 original aggregate principal amount listed in Exhibit A hereto for the public purposes
13 and in the amounts (or maximum amounts) for each such public purpose specified in
14 the Bond Ordinance for such series as set forth in Exhibit A hereto. The aggregate
15 principal amount of the Outstanding Hospital Bonds is also set forth in Exhibit A
16 hereto.

17 (ii) The County has heretofore issued the 1982 Bonds in the
18 original aggregate principal amounts listed in Exhibit B hereto for the public purposes
19 and in the amounts (or maximum amounts) for each such public purpose specified in
20 the Bond Ordinance for the 1982 Bonds as set forth in Exhibit B hereto. The
21 aggregate principal amount of the Outstanding 1982 Bonds is also set forth in Exhibit
22 B hereto.

23 (b) Interest rates in the municipal bond market for certain
24 corresponding maturities of bonds are significantly lower than the rates in existence
25 at the time the Hospital Bonds and the 1982 Bonds were issued; and the County's
26 financial advisor has advised the County that it may be able to realize savings in the
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OUTSTANDING HOSPITAL BONDS

Name of Issue: Harford County Hospital Bonds of 1980 (the "Hospital Bonds")

Date of Issue: March 1, 1980

Original Aggregate Principal Amount: \$5,250,000

Outstanding Aggregate Principal Amount: \$2,495,000

Bond Ordinance: Bill No. 79-43 of the County Council of Harford County, enacted during the 1979 Legislative Session.

Redemption Date

September 1, 1992

Redemption Price

102%

OUTSTANDING 1982 BONDS

Name of Issue: Harford County General Obligation Bonds of 1982 (the "1982 Bonds")

Date of Issue: November 1, 1982

Original Aggregate Principal Amount: \$9,810,000

Outstanding Aggregate Principal Amount: \$4,635,000

Bond Ordinance: (a) Bill No. 80-98 of the County Council of Harford County, enacted during the 1981 Legislative Session.

(b) Bill No. 81-60 of the County Council of Harford County, enacted during the 1982 Legislative Session.

Redemption Date

November 1, 1992

Redemption Price

102%

1 aggregate cost of debt service upon the Outstanding Hospital Bonds and Outstanding
2 1982 Bonds, which are subject to redemption prior to their stated maturities, in each
3 case on either a direct comparison or a present value basis, by issuing the County's
4 refunding bonds for the purpose of redeeming (a) the Outstanding Hospital Bonds
5 described in Exhibit A hereto, and (b) the Outstanding 1982 Bonds described in
6 Exhibit B hereto, all on the dates and at the redemption prices specified in Exhibits A
7 and B hereto (or on such other dates and at such other redemption prices as may be
8 specified in the Resolution) for the purpose of paying any redemption premium, any
9 interest accrued or to accrue to the date of redemption of the Outstanding Bonds and
10 the costs of issuing the County's refunding bonds. The County understands that the
11 final determination of savings in the aggregate cost of debt service for the
12 Outstanding Bonds refunded shall depend on the actual interest rates available at the
13 time the County's refunding bonds are sold and the other terms and conditions of the
14 sale.

15 (c) It is therefore in the best interest of the County to issue its general
16 obligation refunding bonds for the purpose of redeeming the Outstanding Bonds, as
17 described in Exhibits A and B and as may be further described in the Resolution on the
18 dates and at the redemption prices specified in Exhibits A and B hereto (or on such
19 other dates or at such other redemption prices as may be specified in the Resolution),
20 and for the purpose of paying any redemption premium, any interest accrued or to
21 accrue to the date of redemption of the Outstanding Bonds and the costs of issuing
22 the Refunding Bonds. Based upon the advice of the County's financial advisor, it may
23 be in the best interest of the County to issue a portion of the Refunding Bonds as
24 capital appreciation bonds, the interest on which shall accrue and be compounded as
25 hereinafter described, but shall not be payable until the date on which the principal of
26 such Refunding Bonds is payable at maturity (hereinafter the "Capital Appreciation
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1 Refunding Bonds"). If any Capital Appreciation Refunding Bonds are issued upon the
2 written recommendation of the County Executive and by administrative resolution, the
3 other Refunding Bonds [on which interest shall be payable currently (as hereinafter
4 described)] shall be hereinafter referred to as "Current Interest Refunding Bonds".

5 (d) The aggregate principal amount of the Refunding Bonds, computed
6 in accordance with subsection (d) of the Refunding Act, is within the legal limitation
7 on the indebtedness of the County as set forth in Section 5(P) of Article 25A. The
8 principal amount of the Capital Appreciation Refunding Bonds for all purposes of this
9 Ordinance shall be, and shall be deemed to be, the amount of original proceeds
10 received by the County from the sale thereof; and such amount shall be hereinafter
11 referred to as the "Original Principal Amount" of the Capital Appreciation Refunding
12 Bonds. The amount payable on the maturity date of each Capital Appreciation
13 Refunding Bond shall be hereinafter referred to as its "Maturity Amount".

14 (e) In order to achieve the flexibility necessary to structure and market
15 the Refunding Bonds to maximize the savings to the County, and pursuant to the
16 County's authority under the Refunding Act, it is in the public interest to sell the
17 Refunding Bonds of each issue on a negotiated basis (following a limited solicitation
18 of offers of the purchase of the Refunding Bonds) and to provide for the award and
19 sale of the Refunding Bonds to the purchaser thereof and various other matters
20 relating to the issuance of the Refunding Bonds including, among other things, the
21 final aggregate principal amount of the Refunding Bonds, the schedule of maturities
22 of the Refunding Bonds, the determination of which Refunding Bonds shall be Current
23 Interest Refunding Bonds and which shall be Capital Appreciation Refunding Bonds,
24 the rates of interest payable on the Current Interest Refunding Bonds of each issue
25 and maturity, the accretion in value of the Capital Appreciation Refunding Bonds of
26 each issue and maturity, or the method of determining such accretion in value, such
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1 revisions to the form of Refunding Bond (as set forth in Section 4 of this Ordinance)
2 as may be required for sale, the terms and conditions relating to any optional
3 redemption or mandatory sinking fund redemption, the purchase price of the
4 Refunding Bonds (which may be either at, above or below par), and the appointment
5 of an escrow deposit agent for the Refunding Bonds, by the enactment of the
6 Resolution, which Resolution shall be enacted at the time the Refunding Bonds are to
7 be awarded and sold by private negotiated sale to the purchaser thereof.

8 SECTION 3. Be it further enacted by the County Council of Harford County,
9 Maryland, that the County, pursuant to the authority contained in Section 5(P) of
10 Article 25A of the Annotated Code of Maryland, the Charter, the Code and the
11 Refunding Act, shall borrow upon the full faith and credit of the County and shall
12 issue and sell upon the full faith and credit of the County an aggregate principal
13 amount not to exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000) (or
14 such lesser aggregate principal amount as may be specified in the Resolution) of its
15 bonds in registered form without coupons, such bonds to be known as "Harford
16 County, Maryland General Obligation Refunding Bonds, Series 1992". The Refunding
17 Bonds may be issued as Current Interest Refunding Bonds or as a combination of
18 Current Interest Refunding Bonds and Capital Appreciation Refunding Bonds, upon the
19 advice of the County's financial advisor and as shall be determined in the Resolution.

20 SECTION 4. Be it further enacted by the County Council of Harford County,
21 Maryland, that the date of issue of the Current Interest Refunding Bonds, and the date
22 of issue of the Capital Appreciation Refunding Bonds shall be as provided by the
23 Resolution. The Refunding Bonds shall bear interest at the rate or rates named by the
24 purchaser of the Refunding Bonds at private (negotiated) sale as shall hereafter be
25 approved upon written recommendation of the County Executive by the Resolution,
26 and said interest shall be payable semiannually in each of the years that the bonds are
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1 outstanding, provided that in no event shall the term to maturity exceed thirty (30)
2 years. The Refunding Bonds shall be issued pursuant to the authority of the
3 Ordinance, shall be issued in denominations of Five Thousand Dollars (\$5,000) each,
4 or any integral multiple thereof, and shall be numbered from one (1) consecutively
5 upward in the order of their maturities. The Refunding Bonds shall mature in such
6 serial annual installments and in such amounts and in such years as shall be approved
7 in the Resolution. Interest on the Refunding Bonds will be payable by check or draft
8 of the Paying Agent mailed to the registered owners thereof. The Refunding Bonds,
9 when issued, shall be executed in the name of Harford County, Maryland, by the
10 facsimile signature of the County Executive of Harford County, Maryland, and a
11 facsimile of the corporate seal of the County shall be imprinted on each of the
12 Refunding Bonds attested by the facsimile signature of the Director of Administration
13 of Harford County and authenticated by the manual signature of a duly authorized
14 officer of the Bond Registrar (defined in Section 20 of the Ordinance). The facsimiles
15 of said signature and said seal shall be engraved, printed or lithographed on each of
16 the Refunding Bonds in accordance with, and pursuant to, the authority of Sections
17 2-301 through 2-306, inclusive, of the State Finance and Procurement Article of the
18 Annotated Code of Maryland, as amended. The Refunding Bonds shall be subject to
19 registration as to principal and interest in the name or names of the owner or owners
20 thereof on books kept for that purpose at the principal office of the Bond Registrar
21 (defined in Section 20 of this Ordinance) and the principal of the Refunding Bonds
22 shall be payable upon presentation and surrender at the principal office of the Paying
23 Agent (defined in Section 20 of this Ordinance). Payment of interest on the Refunding
24 Bonds shall be made by the Paying Agent on each payment date, to each person
25 appearing on the registration books of the County, maintained by the Bond Registrar,
26 as the registered owner thereof, by check or draft mailed to each such registered
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1 owner at his or her address as it appears on such registration books. There shall be
2 printed on each Refunding Bond the text of the approving legal opinion of bond
3 counsel with respect to the Refunding Bonds. Such printed text shall be certified in
4 the name of Harford County to be a correct copy of said opinion by the facsimile
5 signature of the County Executive of Harford County. Except as provided hereinafter
6 or in resolutions of the County Council of Harford County adopted prior to the
7 issuance of the Refunding Bonds, the Refunding Bonds shall be in substantially the
8 following form, which form, together with all covenants and conditions therein
9 contained, is hereby adopted by the County Council of Harford County as and for the
10 form of obligation to be incurred by Harford County (unless the County Council of
11 Harford County shall determine by Resolution that the Refunding Bonds shall be issued
12 in book-entry form), and said covenants and conditions, including the promise to pay
13 therein contained, are hereby made binding upon Harford County, Maryland, in
14 accordance with the endorsement on said Refunding Bonds:

1 No. R-____

\$ _____

2 UNITED STATES OF AMERICA
 3 STATE OF MARYLAND
 4 HARFORD COUNTY, MARYLAND
 HARFORD COUNTY GENERAL OBLIGATION REFUNDING BONDS, SERIES 1992

5 Interest Rate Dated Date Maturity Date CUSIP

6 _____, 1992 _____, 1992

7 Registered Owner:

8 Principal Sum: _____ (Dollars)
 (\$ _____)

9 HARFORD COUNTY, MARYLAND, a body politic and corporate, organized and
 10 existing under the Constitution and laws of the State of Maryland (the "County"),
 hereby acknowledges itself indebted and, for value received, promises to pay to the
 11 Registered Owner of this bond as set forth above, or registered assignee, the Principal
 Sum shown hereon on the Maturity Date shown hereon (or earlier as provided herein)
 12 upon presentation and surrender of this bond and to pay interest thereon, from the
 interest payment date next preceding the date of registration and authentication of
 13 this bond, unless this bond is registered and authenticated as of an interest payment
 date, in which case it shall bear interest from such interest payment date, or unless
 14 this bond is registered and authenticated prior to _____, 1992, in which event
 this bond shall bear interest from _____, 1992, or unless, as shown by the
 15 records of the Bond Registrar (hereinafter defined) interest on this bond shall be in
 default, in which event this bond shall bear interest from the date on which interest
 16 was last paid on this bond at the Interest Rate per annum shown hereon until payment
 of said principal sum, such interest to the maturity hereof being payable on
 17 _____, 1992, and semiannually thereafter on the first days of _____
 and _____ in each year by check or draft of the Paying Agent hereinafter
 18 described mailed to the registered owners thereof as interest becomes due and
 payable.

19 Both the principal of and interest and premium, if any on this bond will be paid
 20 in lawful money of the United States of America, at the time of payment. Payment
 of the principal of and premium, if any, on this bond shall be made upon presentation
 21 and surrender hereof at the principal office of _____
 _____, Maryland ("Paying Agent"). Payment of interest on this bond shall be made by
 22 the Paying Agent on each interest payment date to the person appearing on the
 registration books of the County maintained by the Bond Registrar as the registered
 23 owner hereof, by check or draft mailed to such registered owner at his or her address
 as it appears on such registration books.

24 This bond shall be registered as to principal and interest in the name of the
 25 owner on the registration books kept for that purpose at the principal office of
 _____, Maryland ("Bond Registrar"), and
 26 such registration shall be noted on the back of this bond, after which no transfer
 hereof shall be valid unless made on the said registration books by the registered
 27 owner hereof in person or by his duly authorized attorney, and similarly noted on this
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1 bond. The County, Bond Registrar and Paying Agent may deem and treat the person
 2 in whose name this bond is registered as the absolute owner hereof for all purposes.
 3 This bond, upon surrender hereof at the principal office of the Bond Registrar with a
 4 written instrument of transfer satisfactory to the Bond Registrar, duly executed by the
 5 registered owner hereof or his duly authorized attorney, may, at the option of the
 6 registered owner hereof, be exchanged for an equal aggregate principal amount of
 7 Bonds (hereinafter defined) of authorized denominations and of the same form and
 8 tenor as this bond. For every such exchange or transfer of Bonds, the County or the
 9 Bond Registrar shall make a charge for any tax or other governmental charge required
 to be paid with respect to such exchange or transfer. Such charge shall be paid by
 the registered owner requesting such exchange or transfer as a condition precedent
 to the exercise of such privilege. The Bond Registrar shall not be obligated to make
 any such exchange or transfer of Bonds during the 15 days next preceding an interest
 payment date on the Bonds, or in case of any proposed redemption of Bonds, during
 the 15 days next preceding the date of the publication of notice of such redemption.
 The Bond Registrar shall not be required to make any transfer or exchange of any
 Bonds called for redemption.

10 This bond is one of a duly authorized issue or series of bonds aggregating
 11 _____ Dollars (\$ _____) in principal amount, all
 12 dated as of _____, 1992 and known as "Harford County, Maryland General
 13 Obligation Refunding Bonds, Series 1992" (the "Bonds"). The Bonds shall be issued
 14 as fully registered bonds without coupons in denominations of Five Thousand Dollars
 (\$5,000) or any integral multiple thereof. The Bonds mature serially in installments
 on the first day of _____ in each of the years ____ to ____, inclusive, as
 follows:

14 _____ The Bonds are numbered from one (1)
 15 consecutively upwards in the order of their maturities, are of like tenor except as to
 16 maturity, number and interest rate, are issued pursuant to and in full conformity with
 17 the provisions of the Charter of Harford County, as amended, and by virtue of due
 proceedings had and taken by the County Council of Harford County, Maryland,
 particularly an Ordinance enacted on _____, 1992, entitled Bill No. 92-____
 and a Resolution adopted on _____.

18 The full faith and credit and unlimited taxing power of the County is pledged
 19 to the punctual payment of the principal of and interest on this bond according to its
 20 terms, and the County covenants and agrees punctually to pay the principal of this
 bond and the interest thereon, at the dates and in the manner mentioned herein.

21 The Bonds of the issue which mature on or before _____, _____, are not
 22 subject to redemption prior to their maturities. The Bonds which mature on or after
 23 _____, _____ shall be subject to redemption prior to their respective
 24 maturities as a whole or in part, and if in part, in the inverse order of maturities, at the
 25 option of the County on _____, 20____, or on any interest payment date
 26 thereafter upon notice of call for redemption given by publication at least thirty (30)
 27 days prior to the date of redemption in a newspaper published and circulating in
 28 Harford County and in the City of Baltimore, Maryland, and also in a financial
 newspaper published and circulating in the City of New York, New York, at a
 redemption price, expressed as a percentage of the principal amount of the Bonds to
 be redeemed, set forth in the table below, together with interest accrued to the date
 fixed for redemption.

Date of RedemptionOptional Redemption Price

If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds to be redeemed shall be selected by lot by the Paying Agent.

No covenant or agreement contained in this bond shall be deemed to be a covenant or agreement of any officer, agent or employee of the County in his or her individual capacity, and neither the members of the County Council of Harford County nor any official executing this bond shall be personally liable or be subject to any personal liability or accountability by reason of the issuance of this bond.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened and to be performed precedent to and in the issuance of this bond, does exist, has been done, has happened and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland, the Charter of Harford County and the Ordinance and Resolution above referred to, and that the issue of bonds of which this is one, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and laws of said State and the Charter of Harford County, and that due provision has been made for the levy and collection, if and when necessary, of an annual *ad valorem* tax or taxes upon all the legally assessable property within the corporate limits of the County, as prescribed by law, in rate and amount sufficient to provide for the payment, when due, of the interest on and the principal of this bond.

In any case where any date of payment of principal of, premium (if any), or interest on this bond, or the date fixed for any redemption of this bond, shall be a Saturday, Sunday or legal holiday observed by the County, then payment of such principal, premium (if any), or interest need not be made on such date but may be made on this next succeeding day which is not a Saturday, Sunday or legal holiday observed by the County with the same force and effect as if made on the date of payment or the date fixed for redemption.

This bond shall not be valid or become obligatory for any purpose until this bond shall have been authenticated by the execution by the Bond Registrar, or its successor as Bond Registrar, of the Certificate of Authentication inscribed hereon.

1 IN WITNESS WHEREOF Harford County, Maryland, has caused this bond to be
 2 executed in its name by the facsimile signature of the County Executive, which
 3 signature has been imprinted hereon, and has also caused a facsimile of its corporate
 seal to be imprinted hereon, attested by the facsimile signature of the Director of
 Administration, all as of the _____ day of _____, 1992.

4 Attest: HARFORD COUNTY, MARYLAND

5
 6 _____ By: _____
 Director of Administration County Executive

7 Date of Authentication: _____

8
 9 CERTIFICATE OF AUTHENTICATION

10 This bond is one of the registered bonds of
 11 Harford County, Maryland General Obligation
 Refunding Bonds, Series 1992

12 _____
 13 By: _____

(Form of Registration)

(No writing hereon except by an officer of _____, Baltimore, Maryland, Bond Registrar.)

<u>Date of Registry</u>	<u>Name of Registered Holder</u>	<u>Registered By</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

_____ (please insert name and address of the assignee)

(Tax Identification or Social Security No. _____) the within bond, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

Signature guaranteed: _____

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within bond in every particular, without alteration or enlargement or any change whatever.

(Form of Certification of Legal Opinion
to appear on panel to left of Filing Back)

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the complete approving legal opinion of Miles & Stockbridge, Baltimore, Maryland, with respect to the issue of bonds, of which this bond is one, that the original of said opinion was manually executed, dated and issued as of the date of delivery of, and payment for, said issue of bonds and that an executed copy thereof is on file with the Paying Agent.

(Here insert text of legal opinion
relating to this issue of bonds.)

1 SECTION 5. Be it further enacted by the County Council of Harford County,
2 Maryland, that the Current Interest Refunding Bonds shall bear interest at the rate or
3 rates for such Current Interest Refunding Bonds to be established by negotiation in
4 accordance with Section 11 of this Ordinance, and such interest shall be payable each
5 year until maturity, and on the maturity or redemption date thereof, until and including
6 the date of maturity or earlier redemption; provided that such interest payment dates
7 may be changed by the Resolution.

8 Each Current Interest Refunding Bond shall bear interest from the interest
9 payment date next preceding the date of registration and authentication of such
10 Current Interest Refunding Bond, unless such Current Interest Refunding Bond is
11 registered and authenticated on an interest payment date, in which case it shall bear
12 interest from such interest payment date, or, unless authenticated prior to the first
13 interest payment date, in which case it shall bear interest from the date of issuance
14 of the Refunding Bonds, or unless, as shown by the records of the Bond Registrar,
15 interest on such Current Interest Refunding Bond shall be in default, in which event
16 such Current Interest Refunding Bond shall bear interest from the date to which
17 interest was last paid on such Current Interest Refunding Bond. No current interest
18 will be payable on the Capital Appreciation Refunding Bonds. Interest on the Original
19 Principal Amount of the Capital Appreciation Refunding Bonds shall accrue from the
20 date of issuance of the Refunding Bonds until the maturity date thereof at the interest
21 rate or rates for such Capital Appreciation Refunding Bonds to be established by
22 negotiation in accordance with Section 11 of this Ordinance, and shall be
23 compounded semiannually each year until maturity, and shall be payable on the
24 maturity date thereof; provided that such dates may be changed by the Resolution.

25 SECTION 6. Be it further enacted by the County Council of Harford County,
26 Maryland, that prior to the issuance, sale and delivery of any bonds, bond anticipation
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1 notes, or any other evidences of indebtedness, pursuant to this Ordinance, the County
2 Council of Harford County shall (without limitation) determine administratively in the
3 Resolution:

4 (a) the substantially final form of instruments or agreements by which
5 the debt or financing authorized herein shall be evidenced (including, but not limited
6 to, bonds, bond anticipation notes, trust agreements and trust indentures;

7 (b) the manner, if any, by which any indebtedness or financing shall be
8 secured in addition to a pledge of the full faith and credit and unlimited taxing power
9 of the County;

10 (c) the principal amounts, rate or rates of interest or method of
11 determining such rate or rates, date, denominations, maturity payment provisions and
12 prepayment, tender and/or redemption provisions (if any) and other terms and
13 conditions thereof;

14 (d) the substantially final form and contents and consent to the
15 distribution (and shall authorize the execution and delivery, where applicable) of
16 various agreements and documents as are necessary to implement the financing
17 authorized herein, including, but not limited to, a Preliminary Official Statement and/or
18 an Official Statement, a solicitation of offers for purchase of the Refunding Bonds by
19 prospective purchasers of the Refunding Bonds, a Purchase Contract with the
20 underwriter(s) selected, and if any indebtedness is determined by the Resolution, to
21 be issued in book entry form, securities depository agreements (collectively the
22 "Documents"), required for the issuance, sale and delivery of any evidence of
23 indebtedness or the completion of the financing authorized herein, which Documents
24 shall contain such provisions as may be required by law or to consummate the
25 financing authorized herein;

1 (e) the details of a public sale of the Refunding Bonds after
2 competitive bid, if the County Council of Harford County shall determine that such
3 public sale (rather than the manner of sale set forth in Section 11 of this Ordinance)
4 is in the best interests of the County;

5 (f) the manner in which any evidence of indebtedness authorized for
6 issuance by this Ordinance shall be executed, sealed and attested (which may be by
7 facsimile signature and/or seal) if different from the provisions of this Ordinance;

8 (g) provision for the payment of all necessary expenses of preparing,
9 printing and selling any evidence of indebtedness and the Documents including,
10 without limitation, any and all costs, fees and expenses incurred by or on behalf of
11 the County in connection with the authorization, issuance, sale and delivery of any
12 bonds or notes, and all costs incurred in connection with the development of the
13 Documents, including the fees of counsel to the County, and compensation to any
14 persons (other than full-time employees of the County) or entities performing services
15 for or on behalf of the County in connection therewith and in connection with all other
16 transactions contemplated by this Ordinance regardless of whether the proposed
17 financing is consummated;

18 (h) the manner in which the payment of the purchase price of the
19 Refunding Bonds deposited with the Treasurer shall be transferred for deposit in trust
20 with a trust company or other banking institution as trustee (the "Escrow Deposit
21 Agent") as determined in the Resolution; such Escrow Deposit Agent to apply all or
22 part of the funds so deposited to the purchase of direct obligations of, or obligations
23 the timely payment of the principal of and the interest on which is unconditionally
24 guaranteed by, the United States of America, the principal of and interest on which
25 shall be sufficient to pay in a timely manner all or a part of the principal of and
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1 redemption premium, if any, and interest on, such of the Outstanding Bonds as may
2 be identified in the Resolution.

3 (i) such other matters in connection with the consummation of the
4 financing transactions contemplated by this Ordinance as may be deemed appropriate
5 by the County Council of Harford County, including (without limitation) the
6 appointment of agents (including, but not limited to, trustees, paying agents, indexing
7 agents and/or registrars) in connection with the financing, the execution,
8 acknowledgment, sealing and delivery of such other and further agreements,
9 documents and instruments, and the authorization of the officials of the County to
10 take any and all actions as are or may be necessary or appropriate to consummate the
11 transactions contemplated by this Ordinance in accordance with the terms hereof and
12 of the Resolution. The Resolution shall be deemed to be of an administrative nature
13 and shall be effective upon the date specified in the Resolution.

14 SECTION 7. Be it further enacted by the County Council of Harford County,
15 Maryland, that the term "Outstanding Bonds" as described in this Ordinance shall be
16 deemed to refer to the Outstanding Hospital Bonds, the Outstanding 1982 Bonds, and
17 such additional issues of the County's bonds (if any) as the Resolution may specify
18 to be redeemed with the proceeds of the Refunding Bonds, including payment of
19 redemption premiums and interest accrued, or to accrue to the date of redemption,
20 purchase, or maturity of such additional issues of the County's bonds.

21 SECTION 8. Be it further enacted by the County Council of Harford County,
22 Maryland, that authority is hereby conferred respectively on the County Executive of
23 the County, the Director of Administration, the Treasurer, the County Attorney and
24 the Secretary of the County Council of Harford County, or any of them, and they are
25 hereby directed to take the following actions on behalf of the County:

1 (a) to execute, acknowledge, seal and deliver the Documents
2 substantially in the forms determined administratively by the County Council of
3 Harford County in the Resolution; and

4 (b) to execute, acknowledge, seal and deliver such other and further
5 certificates, certifications, agreements, documents and instruments and take such
6 other actions as they or any one or more of them may deem necessary or appropriate
7 to consummate the transactions contemplated by this Ordinance in accordance with
8 the provisions hereof and of the Resolution.

9 SECTION 9. Be it further enacted by the County Council of Harford County,
10 Maryland, that the Treasurer, or his authorized deputy, is hereby authorized and
11 empowered to prepare and distribute copies of the Documents to any person who
12 may, in his judgment, be interested in participating in the financing described in this
13 Ordinance or who may request the same or information with respect thereto;
14 provided, however, that any preliminary official statement and related material shall
15 be clearly marked to indicate that they are subject to completion and amendment.

16 SECTION 10. Be it further enacted by the County Council of Harford County,
17 Maryland, that, all evidences of indebtedness issued pursuant to this Ordinance shall
18 be secured by the pledge of the full faith and credit and unlimited taxing power of the
19 County, and the County shall levy or cause to be levied in all fiscal years in which any
20 such evidences of indebtedness are outstanding, upon all legally assessable property
21 within its corporate limits, *ad valorem* taxes in rate and amount sufficient to provide
22 for the payment, when due, of all payments due with respect to such financing in
23 each such fiscal year. If the proceeds from the taxes so levied in any such fiscal year
24 are inadequate for such payment, additional taxes shall be levied in the succeeding
25 fiscal year to make up such deficiency. The County covenants and agrees with the
26 holders or obligees, from time to time, of any Refunding Bond or any other evidences
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1 of indebtedness issued pursuant to this Ordinance to levy and collect the taxes
2 hereinabove described and to take any further action that may be appropriate from
3 time to time during the period that such financing obligations remain outstanding and
4 unpaid to provide the funds necessary to pay the same promptly when due.

5 SECTION 11. Be it further enacted by the County Council of Harford County,
6 Maryland, that the Refunding Bonds may each be sold for a price at, above, or below
7 par, plus accrued interest to the date of delivery. The Refunding Bonds shall each be
8 sold on a negotiated basis without solicitation of bids pursuant to the County's
9 authority under the Refunding Act, and such procedure for the sale of the Refunding
10 Bonds is hereby determined to be in the public interest. Notwithstanding the
11 foregoing, upon written recommendation of the County Executive and administrative
12 resolution adopted by the County Council of Harford County, the County may sell the
13 Refunding Bonds by competitively bid requests for proposals, in accordance with the
14 Procurement Law of Harford County, Chapter 41 of the Code.

15 SECTION 12. Be it further enacted by the County Council of Harford County,
16 Maryland, that the County Council of Harford County hereby declares that it is in the
17 public interest of the County that the issuance, sale and delivery of the Refunding
18 Bonds be exempt from the provisions of Section 9, 10 and 11 of Article 31 of the
19 Annotated Code of Maryland, as amended.

20 SECTION 13. Be it further enacted by the County Council of Harford County,
21 Maryland, that the County Council of Harford County hereby authorizes (a) the
22 appointment of an underwriter (the "Underwriter") to be determined by executive
23 order of the County Executive in connection with the sale of the Refunding Bonds,
24 and (b) the payment by the County to the Underwriter out of the proceeds of the sale
25 thereof or otherwise for services rendered in connection therewith, in an amount not
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1 to exceed a percentage of the principal amount of such financing, such percentage
2 to be determined in the Resolution.

3 SECTION 14. Be it further enacted by the County Council of Harford County,
4 Maryland, that the County Executive is hereby authorized and empowered for and on
5 behalf of the County (a) to cause the preparation, printing, execution and delivery of
6 the Documents, each substantially in the form presented to the County Council of
7 Harford County, with such modifications, supplements or amendments thereto as may
8 be recommended by counsel; and (b) to do all such things as may be necessary or
9 desirable in the opinion of the County Executive in connection therewith.

10 SECTION 15. Be it further enacted by the County Council of Harford County,
11 Maryland, that, upon written recommendation of the County Executive, the County
12 Council of Harford County may, at any time, prior to the execution of a purchase
13 agreement with the Underwriter for the purchase of the Refunding Bonds, by
14 resolution(s) of the County Council of Harford County, administrative in nature,
15 change the date of sale, the date of bid opening, the dates of maturity or redemption
16 of the Refunding Bonds, the amount of the Refunding Bonds to be sold (so long as the
17 principal amount does not exceed the maximum principal amount of the Refunding
18 Bonds permitted under this Ordinance) and the amount(s) of Refunding Bonds
19 maturing in each year, the interest payment dates of the Refunding Bonds, appoint
20 paying agents and/or registrars for the bonds, the solicitation for sale, whether
21 ownership of the Refunding Bonds shall be maintained in book entry or certificated
22 bond form, and the terms of sale of the Refunding Bonds.

23 SECTION 16. Be it further enacted by the County Council of Harford County,
24 Maryland, that, subsequent to the execution of the purchase agreement between the
25 County and the Underwriter and upon written recommendation of the County
26 Executive, the interest rate or rates payable thereon shall be fixed by a Resolution in
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1 accordance with the terms and conditions of the sale of the Refunding Bonds. The
2 Refunding Bonds shall thereupon be suitably printed or engraved and duly executed
3 and delivered to the Underwriter in accordance with the conditions of delivery as shall
4 be set forth in the purchase agreement. The proceeds of the sale of the Refunding
5 Bonds, including any premium and accrued interest received therefor, shall be paid to
6 the Department of the Treasury of Harford County and shall be deposited in a special
7 account of Harford County, Maryland. Harford County, Maryland may, at its option,
8 deduct from the gross proceeds received from the sale of the Refunding Bonds the
9 cost of issuing the same, including the cost of advertising, printing and professional
10 fees (including legal) and expenses. There shall be deducted from the total gross
11 proceeds received from the sale of the Refunding Bonds the amount received on
12 account of accrued interest on the Refunding Bonds, which amount shall be set apart
13 by the Treasurer of Harford County in a special fund and applied to the first maturing
14 interest payment of the Refunding Bonds. The balance of the proceeds of the sale of
15 the Refunding Bonds shall be expended for the purposes set forth in this Ordinance
16 and in the Resolution. If the funds derived from the sale of the Refunding Bonds shall
17 exceed the amount needed to refund the Outstanding Bonds, the excess funds so
18 borrowed and not expended by the County Council of Harford County shall be applied
19 by the County in payment of the next principal maturity of the Refunding Bonds,
20 unless the County Council of Harford County shall adopt a resolution or ordinance
21 allocating said excess funds for such purposes as may be permitted by then applicable
22 law.

23 SECTION 17. Be it further enacted by the County Council of Harford County,
24 Maryland, that for the purpose of paying the interest on and principal of the Refunding
25 Bonds authorized by this Ordinance, there is hereby levied and there shall hereafter
26 be levied in each fiscal year that any of the Refunding Bonds are outstanding, *ad*

1 *valorem* taxes on real and tangible personal property and intangible property subject
2 to taxation by the County without limitation on rate or amount; and, in addition, upon
3 such other intangible property as may be subject to taxation by the County within
4 limitations prescribed by law, in an amount sufficient together with funds available
5 from other sources, to pay the annual interest on the Outstanding Bonds and to
6 redeem the Outstanding Bonds maturing during the succeeding year; and the full faith
7 and credit and the unlimited taxing power of the County are hereby irrevocably
8 pledged to the punctual payment of the principal of (or accreted amount) and interest
9 on the Refunding Bonds as and when they mature. Harford County, Maryland, by the
10 passage of this Ordinance hereby covenants and agrees properly and promptly to
11 perform all of the respective acts and duties defined in this Ordinance for the levy and
12 collection of the aforesaid *ad valorem* tax upon all the assessable property within the
13 corporate limits of Harford County, Maryland, as the levy and collection of such a tax
14 becomes necessary in order to meet the debt service requirements of the Refunding
15 Bonds. By this Ordinance, Harford County, Maryland agrees to take all action it may
16 be legally authorized and empowered to take in order to enforce, in any year in which
17 any of the Refunding Bonds are outstanding, the guarantee of such Refunding Bonds
18 by Harford County.

19 SECTION 18. Be it further enacted by the County Council of Harford County,
20 Maryland, that the County covenants and agrees with the registered owners from time
21 to time of the Refunding Bonds as follows:

22 (a) The County covenants that it will not make any use of the
23 proceeds of any of the Refunding Bonds or any moneys, securities or other obligations
24 on deposit to the credit of the County or otherwise which may be deemed by the
25 Internal Revenue Service to be proceeds of any of the Refunding Bonds pursuant to
26 the Internal Revenue Code of 1986, as amended, and Income Tax Regulations
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1 thereunder (collectively, the "Code"), which would cause any of the Refunding Bonds
2 to be "arbitrage bonds" or "private activity bonds" within the meaning of the Code.

3 (b) The County further covenants that it will comply with those
4 provisions of the Code which are applicable to the Refunding Bonds on the date of
5 issuance of the Refunding Bonds and which may subsequently lawfully be made
6 applicable to the Refunding Bonds. To the extent that provisions of the Code apply
7 to only a portion of the Bonds, proceeds of the Bonds or other moneys, securities or
8 other obligations deemed to be proceeds, it is intended that the covenants of the
9 County contained in this Section 18 be construed so as to require the County to
10 comply with the provisions of the Code only to the extent of such applicability.

11 (c) The County further covenants that it will not (i) take any action,
12 (ii) fail to take any action, or (iii) make any use of the proceeds of any of the
13 Refunding Bonds which would cause the interest on any of the Refunding Bonds to
14 be or become subject to federal income taxes in the hands of the registered holders
15 of any of the Refunding Bonds.

16 SECTION 19. Be it further enacted by the County Council of Harford County,
17 Maryland, that the Refunding Bonds shall be executed and attested in the manner
18 described in this Ordinance. In the event that any officer whose signature shall
19 appear on the Refunding Bonds shall cease to be such officer before the delivery of
20 the Refunding Bonds, such signature shall nevertheless be valid and sufficient for all
21 purposes, the same as if such officer had remained in office until delivery.

22 SECTION 20. Be it further enacted by the County Council of Harford County,
23 Maryland, that the Treasurer is hereby designated and appointed as bond registrar,
24 paying agent and authenticating agent for the Refunding Bonds (the "Bond Registrar").
25 The Bond Registrar shall maintain books of the County for the registration and transfer
26 of the Refunding Bonds. No Refunding Bonds may be registered to bearer. In
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1 addition, the County may from time to time, either prior to or following the issuance
2 of the Refunding Bonds, designate and appoint the Department of the Treasury of the
3 County, any officer or employee of the County or one or more banks, trust companies,
4 corporations or other financial institutions to act as a substitute or alternate bond
5 registrar, paying agent or authenticating agent for the Refunding Bonds, and any such
6 substitute or alternate shall be deemed to be the Bond Registrar or an alternate Bond
7 Registrar for all purposes specified in the resolution appointing such substitute or
8 alternate. Any such appointment shall be made by the County Council of Harford
9 County by resolution; and the exercise of such power of appointment, no matter how
10 often, shall not be an exhaustion thereof.

11 SECTION 21. Be it further enacted by the County Council of Harford County,
12 Maryland, that the Refunding Bonds shall be authenticated and shall be subject to
13 registration, exchange and transfer as follows:

14 (a) No Refunding Bond shall be valid or obligatory for any purpose
15 unless and until the certificate of authentication therefor shall have been duly
16 executed by the Bond Registrar, and such executed certificate of the Bond Registrar
17 upon any such Refunding Bond shall be conclusive evidence that such Refunding Bond
18 has been authenticated and delivered pursuant to this Ordinance. The Bond
19 Registrar's certificate of authentication on any Refunding Bond shall be deemed to
20 have been executed by it if manually signed by an authorized signer of the Bond
21 Registrar, but it shall not be necessary that the same person sign the certificate of
22 authentication on all of the Refunding Bonds issued hereunder.

23 (b) Each Refunding Bond shall be transferable only upon the books of
24 the County maintained by the Bond Registrar, at the written request of the registered
25 owner thereof or his attorney duly authorized in writing. Any such transfer of such
26 Refunding Bond shall be made, upon surrender thereof, together with a written
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1 instrument of transfer satisfactory to the Bond Registrar duly executed by the
2 registered owner or his attorney duly authorized in writing. Upon the surrender for
3 transfer of any Refunding Bond, the County shall issue, and the Bond Registrar shall
4 authenticate, in the name of the transferee, in authorized denominations, a new
5 Refunding Bond or Refunding Bonds of the same aggregate principal amount and of
6 the same form and tenor as the surrendered Refunding Bond. If any Refunding Bond
7 is presented for such purpose at the principal office of the Bond Registrar, the Bond
8 Registrar shall register or cause to be registered in the Bond Registrar and permit to
9 be transferred thereon, under such reasonable regulations as the County or the Bond
10 Registrar may prescribe, any Refunding Bond entitled to registration or transfer. So
11 long as any of the Refunding Bonds remain outstanding, the County shall cooperate
12 in making all necessary provisions to permit the exchange of Refunding Bonds at the
13 principal office of the Bond Registrar.

14 The County and the Bond Registrar may deem and treat the person in whose
15 name any Refunding Bond shall be registered upon the books of the County as the
16 absolute owner of such Refunding Bond, whether such Refunding Bond shall be
17 overdue or not, for the purpose of receiving payment of, or on account of, the
18 principal or accreted amount of and premium, if any, and interest on such Refunding
19 Bond and for all other purposes, and all such payments so made to any such
20 registered owner or upon his order shall be valid and effectual to satisfy and discharge
21 the liability upon such Refunding Bond to the extent of the sum or sums so paid, and
22 neither the County nor the Bond Registrar shall be affected by any notice to the
23 contrary.

24 Refunding Bonds, upon surrender thereof at the principal office of the Bond
25 Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly
26 executed by the registered owner or his duly authorized attorney, may, at the option
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1 of the registered owner thereof, be exchanged for an equal aggregate principal amount
2 of Refunding Bonds (if the Refunding Bonds are Current Interest Refunding Bonds) or
3 an equal aggregate Maturity Amount of Refunding Bonds (if the Refunding Bonds are
4 Capital Appreciation Refunding Bonds) of the same issue and maturity and of any
5 other authorized denominations.

6 In all cases in which the privilege of exchanging Refunding Bonds or transferring
7 Refunding Bonds is exercised, the County shall execute, and the Bond Registrar shall
8 authenticate and deliver, Refunding Bonds in accordance with the provisions of this
9 Ordinance. All Refunding Bonds surrendered in any such exchanges or transfers shall
10 forthwith be cancelled by the Bond Registrar. For every such exchange or transfer of
11 Refunding Bonds, the County or the Bond Registrar shall make a charge for any tax
12 or other governmental charge required to be paid with respect to such exchange or
13 transfer. Such charge shall be paid by the person requesting such exchange or
14 transfer as a condition precedent to the exercise of the privilege of making such
15 exchange or transfer. The Bond Registrar shall not be obligated to make any such
16 exchange or transfer of Refunding Bonds during the 15 days next preceding an
17 interest payment date on the Refunding Bonds, or in case of any proposed redemption
18 of the Refunding Bonds, during the 15 days next preceding the date of the mailing or
19 delivery of notice of such redemption. The Bond Registrar shall not be required to
20 make any transfer or exchange of any Refunding Bonds called for redemption.

21 (c) In the event any Refunding Bond is mutilated, lost, stolen or
22 destroyed, the County may execute, and the Bond Registrar may authenticate, a new
23 Refunding Bond of like issue, date, maturity, interest rate and denomination as that
24 of the Refunding Bond mutilated, lost, stolen or destroyed; provided that, in the case
25 of any mutilated Refunding Bonds, such mutilated Refunding Bonds shall first be
26 surrendered to the Bond Registrar, and in the case of any lost, stolen or destroyed
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1 Refunding Bond, there shall be first furnished to the County and the Bond Registrar
2 evidence of such loss, theft or destruction satisfactory to the County and the Bond
3 Registrar, together with indemnity satisfactory to them. In the event any such
4 Refunding Bond shall be about to mature or have matured or been called for
5 redemption, instead of issuing a duplicate Refunding Bond the Bond Registrar may pay
6 the same without surrender thereof. The County and the Bond Registrar may charge
7 the registered owner of such Refunding Bond their expenses and reasonable fees, if
8 any, in this connection.

9 SECTION 22. Be it further enacted by the County Council of Harford County,
10 Maryland, that:

11 (a) certain of the Refunding Bonds of each issue may be subject to
12 redemption prior to maturity. The Refunding Bonds so subject to redemption, if any,
13 the redemption dates, the redemption prices, and the method of choosing Refunding
14 Bonds to be redeemed upon a partial redemption, shall be specified in the Resolution.

15 (b) Unless notice of redemption shall be waived in writing by the
16 registered owners of the Refunding Bonds to be redeemed, a notice calling for
17 redemption of the Refunding Bonds to be redeemed shall be mailed by the Bond
18 Registrar, not less than 30 days nor more than 45 days prior to the date fixed for
19 redemption (the "Redemption Date"), (i) to all registered owners of the Refunding
20 Bonds to be redeemed (in whole or in part), at their last addresses appearing on the
21 registration books kept by the Bond Registrar, by first-class mail, postage prepaid; and
22 (ii) (A) to The Depository Trust Company, Midwest Securities Trust Company, Pacific
23 Securities Depository Trust Company, Philadelphia Depository Trust Company, and
24 any other registered securities depository hereafter established, and their respective
25 successors and assigns, if any, by certified or registered mail or overnight delivery
26 service, and (B) to at least two national information services that disseminate
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1 redemption notices, by certified or registered mail or overnight delivery service; but
2 failure to mail or deliver any such notice or any defect in the notice so mailed or
3 delivered, or in the mailing or delivery thereof, shall not affect the validity of any
4 redemption proceedings. Such notice shall specify the issue, numbers, CUSIP
5 numbers and maturities of the Refunding Bonds to be redeemed (in whole or in part),
6 which statement of numbers may be from one number to another, inclusive, the
7 Redemption Date and the redemption price, and shall further state that, on the
8 Redemption Date, the Refunding Bonds called for redemption will be due and become
9 payable at the office of the Bond Registrar, and that, from and after the Redemption
10 Date, interest thereon shall cease to accrue. The Bond Registrar will use its best
11 efforts to mail a second notice of redemption to registered owners of Refunding Bonds
12 who have not presented their Refunding Bonds for redemption 60 days after the
13 Redemption Date.

14 (c) On the Redemption Date, notice having been mailed or waived, and
15 moneys for the payment of the redemption price plus accrued interest being held by
16 the Bond Registrar, the Refunding Bonds (or portions thereof) so called for redemption
17 shall become due and payable at the redemption price provided for redemption of such
18 Refunding Bonds (or such portions thereof) on the Redemption Date, interest on such
19 Refunding Bonds so called for redemption shall cease to accrue and the holders or
20 registered owners of such Refunding Bonds so called for redemption shall have no
21 rights in respect thereto except to receive payment of the redemption price thereof,
22 plus accrued interest thereon to the Redemption Date from such moneys held by the
23 Bond Registrar.

24 (d) If it is determined that a portion, but not all of the principal amount
25 represented by any Refunding Bond is to be called for redemption, then upon notice
26 of intention to redeem such portion, the registered owner of such Refunding Bond
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1 shall forthwith surrender such Refunding Bond to the Bond Registrar (i) for payment
2 of the redemption price (including the premium, if any, and interest to the Redemption
3 Date) of the portion of the principal amount thereof called for redemption; and (ii) in
4 exchange for a new Refunding Bond of the unredeemed balance of the principal
5 amount of such Refunding Bond, and having the same form and tenor as such
6 Refunding Bond. If the Refunding Bond is required to be surrendered to the Bond
7 Registrar, a new Refunding Bond or Bonds representing the unredeemed balance of
8 the principal amount of such Refunding Bond shall be issued to the registered owner
9 thereof without charge therefor. If the registered owner of any such Refunding Bond
10 shall fail to present such Refunding Bond to the Bond Registrar for payment and
11 exchange as aforesaid, such Refunding Bond shall nevertheless become due and
12 payable on the date fixed for redemption to the extent of the portion of the principal
13 amount called for redemption (and to that extent only). Interest shall cease to accrue
14 on the portion of the principal amount of such Refunding Bond called for redemption
15 on and after the Redemption Date, and no new Refunding Bonds shall be thereafter
16 issued corresponding to such portion.

17 SECTION 23. Be it further enacted by the County Council of Harford County,
18 Maryland, that the provisions of this Ordinance are severable, and if any provision,
19 sentence, clause, section or part hereof is held illegal, invalid or unconstitutional or
20 inapplicable to any person or circumstances, such illegality, invalidity or
21 unconstitutionality, or inapplicability shall not affect or impair any of the remaining
22 provisions, sentences, clauses, sections or parts of this Ordinance or their application
23 to other persons or circumstances. It is hereby declared to be the legislative intent
24 that this Ordinance would have been passed if such illegal, invalid or unconstitutional
25 provision, sentence, clause, section or part had not been included herein, as if the
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1 person or circumstances to which this Ordinance or any part hereof are inapplicable
2 had been specifically exempted therefrom.

3 SECTION 24. Be it further enacted by the County Council of Harford County,
4 Maryland that, upon recommendation of the County Executive, the County Council
5 of Harford County may adopt a resolution pursuant to Article 31, Section 2C of the
6 Annotated Code of Maryland, as amended, authorizing the Refunding Bonds to be
7 sold, pursuant to this Ordinance, to be consolidated for sale and issued, sold and
8 delivered as a single issue of bonds with other bonds authorized to be sold.

9 SECTION 25. And be it further enacted by the County Council of Harford
10 County, Maryland, that this act shall take effect sixty (60) calendar days from the
11 date it became law.

12
13 EFFECTIVE: May 12, 1992

14 The Secretary of the Council does hereby
15 certify that fifteen (15) copies of this Bill are
16 immediately available for distribution to the
17 public and the press.

18 *Doris Poulsen*
19 Secretary

20 H92-2/refund-b.ody
21 2/5/92 (3) dp
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BY THE COUNCIL

BILL NO. 92-14

Read the third time.

Passed: LSD 92-8 (March 10, 1992)

Failed of Passage: _____

By Order

Doris Poulsen, Secretary

Sealed with the County Seal and presented to the County Executive
for her approval this 11th day of March,
1992 at 3:00 o'clock P.M.

Doris Poulsen, Secretary

BY THE EXECUTIVE

Ellen M. Behrman
COUNTY EXECUTIVE

APPROVED:

Date March 13, 1992

BY THE COUNCIL

This Bill, (No. 92-14), having been approved by the Executive
and returned to the Council, becomes law on March 13, 1992.

Doris Poulsen, Secretary

EFFECTIVE DATE: May 12, 1992